

# City of Detroit

## CITY COUNCIL

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TO: Christine Beatty, Chief of Staff  
Mayor's Office

FROM: Irvin Corley, Jr., Fiscal Analysis Director **24.**

DATE: May 4, 2006

RE: 2006-2007 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2006-2007 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

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Attachment

cc: Councilmembers  
Council Divisions  
Auditor General's Office  
Roger Short, Interim Chief Financial Officer  
Pamela Scales, Budget Department Director  
Tanya Stoudemire, Budget Department Team Leader  
Kandia Milton, Mayor's Office

## **Mayor's Office (33)**

### **FY 2006-2007 Budget Analysis by the Fiscal Analysis Division**

The Mayor's Office is a general fund agency that executes the Mayor's vision to provide customer service excellence for citizens, businesses, and tourists by addressing constituent concerns and implementing new initiatives with efficiency and professionalism. The Executive Office is the administrative component of the executive branch of the City government.

The Mayor's 2006-2007 Proposed Budget includes appropriations of \$9.0 million for the Mayor's Office, which is an increase of \$2.6 million or 41% from the 2005-2006 Budget of \$6.4 million.

#### **2004-2005 Surplus/(Deficit)**

The estimated surplus from the Mayor's Office for fiscal year 2006-2007 is \$214,090. This surplus is the result of reduced expenditures.

#### **Overtime**

The Mayor's Proposed Budget for 2006-2007 does not include overtime for this department. The fiscal year 2005-2006 budget included \$16,500 for overtime in the Neighborhood City Halls. As of March 31, 2006, the Mayor's Office has expended \$1,091 or 6.6% of the 2005-2006 Budget with a remaining balance of \$15,409.

#### **Personnel and Turnover Savings**

There are no projected turnover savings for the Mayor's Office in fiscal year 2006-2007.

The Mayor's 2006-2007 Proposed Budget includes a net increase of one position added to Neighborhood City Halls.

#### **Proposed Layoffs and Position Changes**

The Mayor's Proposed Budget for 2006-2007 includes the elimination of three positions and the addition of four positions.

#### **Significant Changes in Funding by Appropriation**

<b><u>Appro.</u></b>	<b><u>Program</u></b>
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00096	Executive Office
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The appropriation for the Executive Office is \$7.0 million for fiscal year 2006-2007. This is an increase of \$2.2 million from the fiscal year 2005-2006 Budget of \$4.8 million.
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This increase is the results of a \$1.0 million increase in Salaries and Wages, a portion of which is due to the elimination of the 10%

salary reduction and the addition of the Deputy Mayor's position; a \$1.1 million increase in Employee Benefits, and an \$80,000 increase in travel in the Executive Office. These increases are offset by a \$36,526 decrease in Telecommunications and a \$15,000 decrease in Equipment Acquisitions in the Executive Office.

00097      Neighborhood City Halls      The appropriation Neighborhood City Halls is \$2.0 million for fiscal year 2006-2007. This is an increase of \$467,847 or 30% from the fiscal year 2005-2006 Budget of \$1.6 million.

The increase primarily results from an increase \$141,913 in Salaries and Wages, a \$227,034 increase in Employee Benefits, and a \$52,891 increase in Building Rentals for Neighbor City Halls.

### **Mayor's Office (33)**

Budgeted Professional and <u>Contractual Services by Activity</u>	FY 2005-06 <u>Budget</u>	FY 2006-07 <u>Recommended</u>	Increase <u>(Decrease)</u>
Executive Office	\$ 147,500	\$ 137,500	\$(10,000)
Neighborhood City Halls	11,600	26,500	14,900
<b>Total</b>	<b><u>\$ 159,100</u></b>	<b><u>\$ 164,000</u></b>	<b><u>\$ 4,900</u></b>

### Issues and Questions

1. How does the Mayor plan to operate the Radio Patrol program? Will the program run from the Mayor's Office or the Neighborhood City Halls?
2. How does the Mayor plan to monitor the City's 311 Call Center? Is the Mayor's Office the best place to ensure integrity in reporting and monitoring citizens' complaints of citywide services?
3. Why has the travel budget for the Executive Office increased \$80,000?
4. Salaries and Wages in the Executive Office are expected to increase by 42% over the prior year. The restoration of the 10% salary reduction accounts for approximately \$270,000 of the \$1.0 million increase. What other factors contribute to the significant growth in funding?
5. What expenditures comprise the Executive Office's Telecommunications budget of \$200,000?
6. Why is the Spanish Neighborhood Service Representative position being eliminated?
7. Why is a Deputy Director being added to Neighborhood City Halls?

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